

**17—6.17 (231) Entrepreneurial activities of AAA.** An AAA considering entrepreneurial activities must carefully examine the activity to ensure compatibility with its designation as an AAA. The following shall apply to all AAA, unless otherwise prohibited by statute, rule or order:

**6.17(1) *Demonstrated need—use of funds.*** AAA may engage in entrepreneurial activities if the activity is in response to a demonstrated need and the funds raised by such activities are used for one of the following purposes:

- a. To further extend services and opportunities for older individuals; or
- b. To fund new services and opportunities for older individuals provided that these services or opportunities are compatible with the AAA functions and goals.

**6.17(2) *Restrictions.*** An AAA shall not use funds received from the department in connection with entrepreneurial activities.

- a. Entrepreneurial activities shall not be undertaken until they have been reviewed by the advisory council and approved by the AAA governing board.
- b. An AAA that engages in entrepreneurial activities shall not create the impression that the activity is being carried on under governmental authority.
- c. Funds received as a result of entrepreneurial activities shall be monitored and accounted for according to generally accepted accounting and auditing practices commensurate with the activities.
- d. Entrepreneurial activities shall be pursued only if the duties and responsibilities required of AAA in this chapter are consistently provided by the AAA in a capable manner.
- e. Entrepreneurial activities shall benefit all eligible persons in the PSA, particularly older individuals in the greatest economic and social need and low-income minority persons.

**6.17(3) *Department review.***

- a. An AAA shall inform the department in writing not less than 160 calendar days prior to the initiation of an entrepreneurial activity of an ongoing nature. The notification shall describe the proposed activity, proposed source of funds, and the needs being addressed.
- b. The department shall respond in writing within 30 calendar days to acknowledge receipt of the information, request clarification, or request a delay in implementation. For informational purposes, the department shall provide a copy of the response to the commission.
- c. An AAA that receives no response from the department within 30 days may assume that no additional submission of information is required.
- d. If unresolved issues remain after 60 calendar days of receipt of the information, the commission will be informed of those issues at the next commission meeting.

**6.17(4) *Commission or department action.*** An AAA contracting for entrepreneurial activities shall:

- a. Provide the contract to the department for review prior to signing; and
- b. Include the activities in the area plan, plan amendments or revisions; and
- c. Require a minimum payment from the contractor to fully cover all costs of the activity, including overhead and administrative costs, to eliminate the possibility of use of Title III funds.

**6.17(5) *Community interest.***

- a. Entrepreneurial activities pursued by an AAA and groups or organizations funded by an AAA shall not have, nor present appearance of, conflict of interest.
- b. An AAA shall work cooperatively with community leaders, groups and organizations in order to participate in entrepreneurial activities.